

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 112

January 30, 2015

SUMMARY OF BILL: Changes the size of commercial advertisements on school buses from 16 inches high and 60 inches long to 36 inches high and 90 inches long.

ESTIMATED FISCAL IMPACT:

Increase Local Revenue – Exceeds \$5,000

Assumptions:

- The number of school systems currently utilizing commercial advertisements on school buses is unknown; however, it is reasonably estimated that there are at least four school systems currently doing so.
- Larger permissible commercial bus advertisements will result in additional revenue for the local education agencies because the signage will become more visible and demand for the advertising signage is expected to increase.
- The fiscal impact of the bill is dependent upon several unknown factors such as the number of school systems that will begin to utilize sign advertisements on buses as a result of the bill, the extent to which school systems currently utilizing advertising signs will replace current signs with larger signs, the price for which school systems sell advertisements or increase the price for placing advertisements on larger signage, and any costs incurred by school systems to install signage on buses or to replace smaller signs with larger signs.
- Based on the information received for this bill, and given the extent of unknown factors, the net recurring increase in local government revenue (after any costs incurred to replace current signs with larger signs) is reasonably estimated to exceed \$5,000 per year statewide.
- No fiscal impact on state revenue or expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, reading "Jeffry A. Spalding".

Jeffrey L. Spalding, Executive Director

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